

To: Stefano Porretti
Director of Emergencies

Date: 30 October 2015

cc: Chris Nikoi
Regional Director, Johannesburg, South
Africa

From: Simon Cammelbeeck
Country Director, Zambia

Subject: Request for funds allocation from the Immediate Response Account (IRA) for Increased Monitoring Systems in anticipation of El Niño impact on Food Security for Zambia in 2016.

PART 1: INFORMATION NOTE

RATIONALE

The Southern Africa Regional Climate Outlook Forum (SARCOF) has forecasted a high likelihood of an El Niño season for the 2015/16 cropping season. This is generally characterised by normal-to-below normal rainfall across the southern half of SADC region for the next cropping season. More specifically it is associated with late start of season coupled with erratic and poorly distributed rainfall sometimes associated with wet spells, or short periods of intense rainfall causing flooding. This El Niño event which was officially declared in March 2015, is forecasted to remain active and peak up momentum from the last quarter of 2015 through to the first quarter of 2016, which coincides with the peak of the agricultural season in this region. The El Niño is forecasted to be one of the strongest in the past 35 years.

This comes against the backdrop of a poor 2014/15 agricultural season which resulted in the current food deficit situation in countries such as Malawi, Zimbabwe and Madagascar. The overall cereal harvest in the region (excluding Madagascar, Mauritius and Seychelles) decreased by 21% from 42.98 million tonnes in 2014 to 33.84 million tonnes in 2015. This situation is been exacerbated by local currency depreciation, which is contributing to abnormal price increases. This unstable macro-economic environment, especially in surplus producing countries, may affect the production capacity of the farmers in the coming agricultural season. Given these conditions, the region is likely to face very serious food security challenges in the coming lean season and next year's harvest.

cc:
Regional Director, RBP
Chief, OMEP
Director, OSZ
Chief, RMBP
Chief, RMBB



Zambia is the second biggest exportable maize producer in the region and for this season, may have produced just enough to cover domestic requirements and marginally cover the demand from neighbouring countries. This adds to the concerns about the likely increase in the regional market price for maize. Production in Zambia is estimated to have dropped by 22 percent below last year production and by 10 percent from the five-year average, but the country will still export a surplus.

The Food and Nutrition Security Working Group (FNSWG), co-chaired by WFP and OXFAM, with participation of SADC, NEPAD, WVI, UNICEF, OCHA, FEWSNET and FAO has recommended in its October 2015 Update Number 3 increased market monitoring of key variables, including prices of staples, direction of trade, marketing conditions, change of policies or regulations, which have a bearing on food security situation.

AMOUNT REQUESTED: US \$ 210, 255

DURATION OF ACTIVITY: 2 November 2015 -1 February 2016

JUSTIFICATION

The SARCOF¹ seasonal rainfall forecast have indicated that the southern half of the region has increased likelihood of normal to below normal rainfall, while the northern half of the region has increased chances of normal to above normal rainfall. With increased likelihood of drier than average conditions affecting the growing season over the southern half of the region, there could be high chances of increased shortfalls in cereal production in the region. There is a high chance that these El Niño conditions will result in an erratic start to the planting season throughout the region, in particular, in southern parts of Mozambique, Malawi, Zambia and Zimbabwe resulting in reduced planted areas as well as delayed planting.

According to the WFP Seasonal Monitor there is a strong likelihood that rainfall during the planting period and early development of local maize crop (November-January) will be less than usual in Zambia. The country has had maize surpluses for the past two consecutive agricultural years, and is one of the main suppliers of non-GMO maize grain in the region. For 2015/16 marketing year the country produced a surplus of 1 million tonnes of maize.

Despite the surplus of maize, the food security situation has deteriorated as a result of prolonged dry spells in the previous rainfall season. The Government is implementing a number of programmes to mitigate the effects of the dry spell. These include: relief food programme, input support to affected households mainly in western province and rehabilitation and construction of boreholes.

The Country Office has started disaster preparedness activities with the upcoming season with Disaster Management and Mitigation Unit (DMMU) and the national contingency plan is under finalization. Given the fact that Zambia is one of the major maize contributors in the region, it is important to monitor commodity market indicators.

Following consultation with the Head of Food Security Analysis Service (VAM) and Country Directors at the RBJ Leadership meeting, the Regional Director has advised that three priority countries should launch new technology applications to provide real time information on the food security on an open

¹ <https://www.humanitarianresponse.info/en/operations/southern-africa/document/statement-19th-southern-africa-regional-climate-outlook-forum>

access basis. In essence, this is the coupling of mVAM to enable real-time household food security monitoring with the launch of a partnership with Premise² to bring real-time market-level data.

The Country Office is engaging in on-going consultations with the Government and partners on the need for real time market level data as well as discussing the indicators to be monitored. Overall the community is very supportive of this innovation. This IR-PREP therefore will focus on enhancing the real-time monitoring as well as data and analysis needs in anticipation of the worst case scenario resulting from El Niño in Zambia as of 2016.

The proposed activities are outlined below:-

Activity 1: Real-time Household Food Security Monitoring using MVAM Platform (US \$46, 500)

The mVAM platform enables food security data collection from households through short mobile phone surveys, using live telephone interviews, text message (SMS). The mobile technology that mVAM uses has the potential to support real-time, cost effective and safe data collection, and therefore improve situational awareness in emergency zones. The mVAM remote data monitoring approach will enable Zambia CO³ to track changes in household food security and consumption patterns, as well as collecting food prices from low-access areas that shall enhance WFP's operational awareness.

Activity 2: Launch of real-time market-level data partnering with PREMISE (US \$150,000):

As WFP shifts to working with private sector actors to implement cash based transfer programmes, as well as for the distribution of in-kind assistance, continuous tracking of market functionality, prices and supply is required to support program management and aid optimization to realize maximum benefit for locally affected populations.

In addition, significant structural barriers often add complexity to the resource security picture - issues such as market access, staple scarcity, supply chain and distribution bottlenecks, and post-harvest loss all impact logistics and aid decisions and must be monitored in conjunction with market-level dynamics.

The partnership between WFP and Premise will leverage the power of new technology applications that each organization has developed to provide real time information to the food security community on an open access basis. The availability of data from WFP mVAM household food security monitoring and Premise market-level monitoring will contribute to increased efficiency in humanitarian response as well as a public good for the broader humanitarian community and better inform WFP on the feasibility and appropriateness of cash or food based transfers. By providing strategic food security information at unprecedented frequency and scale, Premise and WFP will

² Premise is a technology company measuring economic, political and social developments in real-time. Its platform enables decision-makers to test hypotheses and monitor global trends by blending machine intelligence with an elastic network of paid contributors using mobile software to collect highly structured, verifiable data. The platform adapts as data is collected, ingested and analyzed.

³ Separate IR-PREPs for Malawi and Zimbabwe have been developed to launch mVAM and PREMISE in these other two priority countries.

allow the government of Zambia and partners to better predict, react to and target the delivery of intervention resources to priority sub-regions most impacted by the effects of El Niño weather effects.

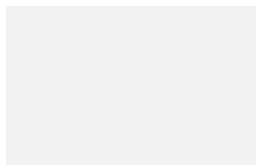
Overall Project Outputs for the IR-PREP are:

- Real time Analysis of weather hazards, markets and food security outcomes
- Weekly ground-level observational food price data and trends collected by Premise, shared in open access online on WFP’s VAM Shop.
- Household-level food security data collected monthly by SMS.
- Significantly strengthened early warning systems placed in the hands of government and local partners to respond to specific risks/threats to the food market system.

The expected outcome of this IR-PREP therefore will be enhanced state of preparedness both at CO and Regional Bureau levels. The Country Director will be the fund manager for this IR-PREP, with support from RB VAM and HQ VAM.

PART 2: DETAILED BUDGET

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|---------------------|-----------|
| Fund Centre: | ZMCO |
| Functional Area: | EMOP |
| Project Number: | 200911 |
| Project Start Date: | 02-Nov-15 |
| Project End Date: | 01-Feb-16 |
| Duration (months): | 3 |



| | Value US\$ | % overall Budget |
|----------------------------------------------------|------------------|---------------------|
| Capacity Development and Augmentation (CD&A) costs | \$0 | 0% |
| Direct Support Costs (DSC) | \$196 500 | 93% |
| Total WFP direct project costs (US\$) | \$196 500 | 93% |
| Indirect Support Costs (ISC) 7% | \$13 755 | 7% |
| TOTAL WFP COSTS | \$210 255 | 100% |